DEPARTMENT OF STATE (CDC, WI) DATE 7/16/82
REVIEWED BY [illegible]
RDS (XDS) EXT. DATE (REASONS)
TS AUTH (EXISTING MARKINGS)
ENDORSE DECLASSIFIED RELEASABLE
DECLASSIFIED RELEASED
RELEASE DENIED
FOIA or FOI EXEMPTIONS

AIR POUCH

UNCLASSIFIED
(Classification)

FOREIGN SERVICE DESPATCH

From: Amconsul, Lagos, Nigeria

To: Department of State, Washington

Ref:

353
Desp. No.

April 24, 1952
Date

Subject: Fortnightly Newsletter - March 22 - April 5, 1952.

SEC INFO:
TAR AG
TR COMM
XMB FRB
MSA IN
FSA LAB ik

2 REC'D: APR. 14

ACTION: ~~NEA~~
INFO: REP DCR EUR OLI E UNA IPS IFI IBS I

POLITICAL

ACTIVITIES OF THE HOUSE OF REPRESENTATIVES

The major work of the House of Representatives during the past two weeks has been the discussion of the 1952-53 Budget Estimates for the new central government. Much heat and little light has been generated but it is felt that the final Budget will be substantially the same as that submitted by Government. Criticisms of all aspects of the present and past government have been heavy, but even the critics have generally finished by saying that they rose in support of the estimates.

The Question of Nigerian Industrialization and Foreign Capital

One of the major subjects under discussion in the House in connection, although not strictly on the subject, with the consideration of the budget is the matter of the future industrialization of Nigeria. Views on the present policy of the Government range from the belief that the pace is too fast to the viewpoint of those who would expect immediate creation of major industries here. It might also be noted that the general tenor of the members' speeches demonstrate a clear lack of understanding of the processes and requirements of industrialization; many would seem to feel that a resolution by the House will bring industrialization and prosperity tomorrow. The bogey of "exploitation" by foreign capitalists has been well discussed with Iran being cited most often of what evil things befall a backward nation who allows untrammeled foreign investment while those who wish to encourage such investment in Nigeria pointing to India as an example of what may be accomplished when foreign capital is brought in with attendant safeguards. There is little doubt in the minds of the realistic members of the House that Nigeria cannot find enough local capital for large-scale industrialization.

The Question of Expatriate Officers

This matter is one which still rankles very strongly in the breasts of the local people and has received a great deal of attention in the House during the budget debates. As always, the members are bitter about the fact that foreign (mostly British) officers and employees are brought out and given both higher pay and better

RWRoss/LDJunior/
ORAggrey/esh

UNCLASSIFIED

This Document Must be Returned to SEC/R Central Files
745H.00/4-752
FILED
MAY 6 1952
RP

allowances than the local staffs. However, much of what has been said against the expatriate officers by the House is for "the folks back home" and no one seriously believes that the country can be governed without the assistance of trained foreigners. The only real question is the relationship these officers will have with the African officials and employees; this will undoubtedly undergo certain changes. Members of the house have also made very pointed remarks accusing the colonial government of using Nigeria as a "dumping ground" for second and third rate officials for whom there is no work at home or in other colonial areas.

First Legislative Defeat for Center Government

The Government (i.e. the Council of Ministers) suffered its first defeat on March 25 in the House of Representatives when one of the two posts of "Chief Inspectors of Education" was eliminated by failure of the House to vote his salary at £1610 a year. The defeat was inconsequential in nature and does not portend major setbacks in the near future.

- - - - - - - -

Zik Declines Invitation to International Economic Conference in Moscow

Dr. Azikiwe, President of the NCNC, has declined the invitation of the "Initiating Committee" to attend the International Economic Conference in Moscow April 3 to April 10, 1952. Zik gave his reasons for declining as pressure of business, political and economic problems, but he wished the Conference success, hoping that through it the Continent of Africa "will be on the way towards redemption from economic strangulation forced on it by its exploiterers".

Liberian Consul in Lagos

It has been officially announced that the current Honorary Liberian Consul in Lagos will be replaced by a permanent Consul who will be a Liberian national.

ECONOMIC

Capitalization of Cement Company Which is Scheduled for Production by End of 1952

Surveys of the site of a cement factory near Enugu, in Eastern Nigeria have been completed. Production planned by end of 1952 but capitalization of company not completed. Nigeria Coal Corporation and French, Belgian and British companies expected to form corporation with large number of Nigerian stockholders. 1952 target date probably much too optimistic.

Western Region Cooperatives Form Regional Union

"The Cooperative Union, Western Nigeria" was brought into existence at meeting March 28. Union to be coordinating body

for agricultural co-ops in Western Region, with major autonomy left to individual societies. Plans made for parliamentary lobby organization and members' welfare system.

Peanut Backlog in North Serious

Nigeria's record peanut crop still largely unshipped from North buying centers and tarpaulins being flown from England to protect from oncoming rainy season. Railroad incapable at present of shipping more than small part of crop to Lagos and other ports but hopes reach 30,000 tons per month by addition six locomotives and hundred cars to this service. Railway officials say port crowding prohibits shipment bigger lots but actually problem is annual -- only more aggravated this year.

No Oil Yet at Shell D'Arcy Test Well

Owerri test hole now at 8,000 but no signs yet of oil. Company assembling second test rig capable of 7,500 boring but location of second well not known.

Electricity Corporation of Nigeria Takes Over Ibadan Power System

Power facilities in Ibadan, Nigeria's largest city, have been taken over by Electricity Corporation from Native Authority group previously administering facilities. Facilities to be expanded to meet cities needs. First step is high tension line from Lagos supplying Ibadan and towns en route. Ibadan press sees improvement for system's employees as result change.

Nigeria's Sterling Balances

In response to a question in the House of Representatives by the Hon. Obafemi Awolowo, leader of the Action Group, the Financial Secretary stated that the Nigerian Government had sterling credits in the United Kingdom on December 21, 1951 as follows:

Cash with Crown Agent	£695
Joint Colonial Fund	£12,[illegible],000
Surplus Cash Invested	£4,453,817
Special Funds Invested	£16,817,124
Nigerian Savings Certificates	£615,909

The Financial Secretary stated that "insofar as these balances do not comprise loans or funds already hypothecated to special purposes such as the Revenue Equalisation Funds, Renewals Funds, etc. they are freely available for" initiating and expanding educational, medical, agricultural and other industrial products in Nigeria.

GENERAL

Mbadiwe May Lose Move to Lift Governmetal Ban off AAAR

It is reported that Honorable K.O. Mbadiwe, member House of Representatives and President of African Academy of Arts and Research will move in House to reject report of Government's Auditor which resulted in Government's refusal furnish dollar exchange to Academy-sponsored Nigerian students destined for U.S. Consulate General's opinion is that this move will have the chance of a proverbial snowball.

Nigerian Student's Speech in Philadelphia

Mr. Kalu Ezer's speech in Philadelphia on March 31 at the "Free World Speaks" dinner received little attention in the Nigerian press. However, typically, his statements appear to have been badly distorted here. For example, one paper stated that Mr. Ezera "deplored the 'apparent connivance' of the Western World of South American Government's racial policy (sic)". The headline of this article was "Nigerian Deplores Racial Policy in U.S."

One Shilling Education Tax to be Collected This Year by Ibo Union

First of the six national colleges planned by the Ibo State Union having been opened at Aba, Eastern Nigeria, Union's Assembly will levy educational tax of one shilling on every taxable adult in "Iboland". Daily Times of Lagos says estimated 2,000,000 taxable adult males in Iboland and annual levy may bring Union £100,000 yearly. This rate proposed to start this year that Union might have sufficient funds for equipping new college and start a second upon selection of site.

It is feared that attitude some sections of the Ibos and plans to build colleges in own particular clans and villages might hamper progress and timely execution of Ibo State Union's plans.

Examples: The Ngwa Clan is now on its way to build an Ngwa Clan College; the Iheme College and another built in Arondizuogu, all in Iboland. Many other clans and villages of region are also planning build own colleges.

Iron Curtain Countries to Tender Scholarships in West Africa

March 19 West African Pilot says West Africa "will benefit" from scholarship program of International Union of Students in Prague.

"IUS scholarships are granted to students from colonial and dependent countries upon recommendation from IUS member organizations. This year, thanks to the cooperation of member organizations in Czechoslovakia, Hungary, Bulgaria, Rumania, Poland and the German

Democratic Republic, close to fifty new scholarships will be available to students from India, Iraq, Syria, Lebanon, West Africa, Indonesia, Pakistan, Egypt, Sudan, North Africa, Madagascar, Burma, Iran, Ceylon, West Indies, and other countries."

East Departments to Cut Budget for 250 Scholarhips

Following wishes of the NCNC partyment to find money by all means to meet cost of proposed 250 scholarships and other local developments, every department in Eastern Region agreed to cut down its budget, according to the West African Pilot.

Estimated that about £150,000 will be made available from Eastern regional estimates passed at February budget session.

Third Annual Nigerian Festival of the Arts

Sir John Macpherson, Governor and Commander-in-Chief of Nigeria opened third Nigerian Festival of the Arts at Lagos Race Course March 23, before nearly 5,000 persons.

He said it was encouraging to see interest of Nigerians growing in the Festival judging by number entries of Nigerian artists and craftsmen from outside Lagos. Sir John took salute of 4,000 school children, Boy Scouts, brigades and Sea Rovers representing 20 schools.

President of the Festival, Dr. D.A. Cannon, announced entries from all over country total 930, 330 outside Lagos. Board of the Festival would be happy to see regions outside Lagos organize own Festival and come to Lagos for final competitions, Dr. Cannon said.

Robert W. Ross

Robert W. Ross
American Vice Consul